

# **Mayor and City Council Planning Workshop 2006 Minutes**

**Thursday, February 2, 2006 and Friday, February 3, 2006**

**Newton Depot – Newton City Hall  
North Main Avenue  
Newton, North Carolina 28658**

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## **Day 1 – February 2, 2006 – Morning Session**

### **Attendance**

#### **Mayor and City Council:**

Mayor Robert A. Mullinax, City Council Members Anne Stedman, Al Gaither, Tom Rowe, Tom Dixon, Roy Johnson (Mayor Pro Tem), Wayne Dellinger, Ed Burchins, City Manager, and Larry Pitts, City Attorney

#### **Department Heads/ Management Team:**

\*Ed Burchins, City Manager  
Jim Baker, Finance Director  
David Dial, Police Chief  
Johnny Isenhour, Purchasing Agent  
Teresa Laffon, Human Resources Director  
Glenn J. Pattishall, Planning Director/Assistant City Manager  
Parviz Mollahassani, Technology Systems Administrator  
Bootsie Roberts, City Clerk  
Sandra Waters, Parks & Recreation Director  
Doug Wesson, Assistant Public Works/Public Utilities Director  
Marty Wilson, Public Works/Public Utilities Director  
Kevin Yoder, Fire Chief

#### **Special Guests/Visitors/News Media and other City Staff Members:**

Kim Gilliland, Hickory Daily Record  
Ron Webb, Member of the Festival & Events Committee and Planning Commission  
Bob High, Ted Cole, and R.T. Taylor with Davenport & Company LLC  
John Maxwell, Sprinsted Inc.  
Shannon Howle Schelin, PhD UNC School of Government  
Doris Kelly, Director of Consulting Services, DesignLiNC, Inc.  
Stan Winstead, Winstead Architecture PLLC  
Lt. JoAnn Pope, Newton-Conover Middle School Resource Officer  
Larry Saunders, Jr., Master Police Officer, Newton-Conover High School Resource Officer  
Karen Wood, Manager, NCMPA1 Pricing and Billing Services  
Robert Vice, Southeastern Consulting  
Alex Fulbright, Planning-Long Range  
Tim Huffman, IT Technician  
Tim Elliott, Chairman, Downtown Newton Development Association  
Tom Warlick, Attorney  
Scott Millar, President, Catawba County Economic Development Corporation  
Cynthia McGinnis, Administrator, Piedmont Wagon Transit System  
John Tippet, Assistant Planning Director, WPCOG

## **Mayor Mullinax's Welcome and Opening Comments concerning this year's Planning Workshop**

Between the hours of 8:00 a.m. – 8:45 a.m., Mayor Robert A. Mullinax call to order the annual 2006 Mayor and City Council Planning Workshop which was held at the Newton Depot on North Main Avenue.

Mayor Mullinax gave the housekeeping rules and addressed the workshop's agenda for the next two days. He expressed how diligently he, City Manager Ed Burchins, and the staff had worked to prepare agenda items that could be discussed within two days.

Mayor Mullinax stated, "Our City is conditioned to do something special in our town," and pointing out several areas of improvement in the City such as: US Hwy. 16 South Loop, and the improvements in the Broyhill Park area, the Moretz Mills improvements. "We have done a lot, but we have more to do," he continued.

Mayor Mullinax introduced City Manager Burchins and asked him to give his report on the progress of the past year and the proposed fiscal year 2006-2011 Capital Improvement Plan.

## **Overview of Planning Workshop by Ed Burchins, City Manager**

City Manager Burchins also welcomed everyone to the annual work shop and stated that the workshop was designed to be informal and would offer opportunities to ask questions whenever needed throughout the workshop.

City Manager Burchins stated that the city staff, the Mayor and City Council have all worked very well as a team and that he wanted everyone to feel free to share their thoughts, ideas, and concerns.

City Manager Burchins shared some of results from the 2004-2005 Mayor and City Council Planning Workshop and reminded the Council of the goals achieved on the list. He pointed out items on the list that had either been completed or currently being implemented.

City Manager Burchins stated that the City of Newton is fortunate to have an excellent Management Team, the support of the Mayor and City Council, and that the quality of all of our employees is outstanding.

City Manager Burchins stated that the City has missed some improvement opportunities due to lack of resources, but have revisited some and will address those needs sometime this summer. He stated what is most important now is the City's needs for the next five years.

## **Progress Report on proposed Fiscal Year 2006-2011 Capital Improvement Plan**

City Manager Burchins stated that the City was at the tail end of the Capital Improvements Plan with water/sewer projects, the raw water intake, the wastewater treatment plant improvements, the new cemetery and the Central Recreation Center. He stated that the City has pending, the greenway, Jacobs Fork Park, Smyre Farm Road project, and the thoughts of major financing issues as to borrow or hold a bond referendum.

City Manager Burchins stated that when we do these things, we need to still retain a good healthy fiscal standing.

City Manager Burchins stated that tough decisions needed to be made in area of personnel, to change policies to provide more flexibility in making prompt management decisions, studying the use of technology in the work place and how we benefit from it, and moving forward to see about the funding for the technology upgrading.

City Manager Burchins pointed out the popularity of "Broadband" and how it is utilized in local government as well as the public safety issues in both police and fire, thanking Council Member Dellinger for all his help and support through the years with the fire department.

City Manager Burchins stated that in the area of public utilities that in 1998 a plan was developed to make improvements to our water and sewer infrastructure and he hoped to expand these plans for another five years and to study the water loss issues.

City Manager Burchins stated that in the Electric Department that the incentive rates to our industrial customers needed to be discussed; and that in our Street Department that there are a number of culverts, sidewalks and street issues.

City Manager Burchins introduced Jim Baker, Finance Director, and his guest, Mr. Bob High and Mr. Ted Cole from Davenport and Company LLC who have worked with the Local Government and the City of Newton on numerous occasions.

Mr. Cole, along with Mr. High, reported on the City's overall financial program which assessed the City's existing Debt profile, measured the City's existing debt capacity, and measured the fiscal impact of funding for the City's CIP. Mr. Cole also presented an analysis that assessed the City of Newton as compared to a Peer Group in North Carolina municipalities related to multiple economic, financial, and demographic ratios.

Mr. Cole reported on the historic electric, water, and sewer systems' operations as well as the measures the impact of funding the System's Capital needs. Mr. Cole recommended that the City needed to prioritize their needs for the next several years and assess the financing alternatives which best suit those needs while minimizing the financial impact to the City's General Fund and Enterprise System.

Mr. Cole reported on the City's existing debt structure, existing debt ratios, debt capacity, goals and objectives, payout ratio (General Fund supported debt), the Fund Balance, the historical financials, and stated that the City is extremely strong in their payout debt and is great with the process – very good shape.

Mr. Cole and Mr. High also stated that the City's municipal rating within a peer group range is in good shape, very strong and broader than the peer groups.

Mr. Cole recommended that the City's CIP be prioritized and studied to see what's really affordable.

Mr. Burchins stated that the CIP had not been adjusted and the debt process had a lot to do with what needed to be prioritized.

Mr. Burchins revisited some of the pending projects, the fire station, truck replacements, police cars, Jacobs Fork project, Public Works additional equipment, just to name a few and asked if the City was heading in the right direction.

Mr. Cole recommended that the City:

- Access and prioritize a requested Capital Improvement Program
- Integrate Capital Budget and Operating Budget processes, specifically identify available revenue sources (existing and new) that can help fund the City's ongoing Capital needs
- Begin to develop Financial Policy Guidelines taking into consideration both the Capital and Operating Budgets as they stand today as well as how they are projected to evolve, and
- Develop a detailed Plan of Finance to execute Phase One of an approved Capital Improvement Plan.

Council Member Dixon asked Mr. High and Mr. Cole for their opinions on payback periods and funding new debt.

Mr. High and Mr. Cole stated that the City was being aggressive and conservative at the same time, but to do what is best to meet the City's needs. They recommended that the City should check their rate environment to see if it's bad or good and the years to pay off depends on the ability to pay back or not and not place a burden on the customers.

In summary, Mr. Cole along with Mr. High reported that in working with the City, they have found that the City has a well-defined path for funding needs, maintaining a healthy and financially strong General Fund and Enterprise System.

Mr. High stated that he has found in working with the City of Newton that the staff looks for ways to do things without a tax raise or aggressively seek other means to fund projects and that was a good practice.

### **Supporting Material Available in the City Clerk's Office**

#### **Present proposed updated Personnel Policy**

Teresa Laffon, Human Resources Director, introduced John Maxwell from Sprinsted, Inc. to speak on the revised Chapter 19 of the Newton City Code.

Mr. Maxwell reported that the City's last major review of the City's Personnel Policy was done in 1987. He stated that since that time, several major federal laws have passed which affects the current policies such as the Fair Labor Standards Act, Family Medical Leave, the American with Disabilities Act, and Homeland Security and many others.

Mr. Maxwell recommended that the City's Personnel Policy be adopted as a resolution instead of an ordinance because as an ordinance, it becomes part of the code, it is legally binding and takes away a manager's flexibility in dealing with problems and subjects the town to litigation anytime it departs from the ordinance in some way, even if for a good reason.

Mr. Maxwell stated that if the policy is adopted by resolution, it doesn't have the force of law and is simply a statement of how the town generally intends to handle personnel matters and when an unusual situation comes up and it seems to be in the best interest of the town to proceed in a different way, the manager can do so because the employee has no legal right to have the procedure or policy outlined in the personnel policy followed.

The Mayor and City Council reviewed a draft of the personnel policy and the recommended changes.

Mr. Maxwell stated that it would be in the best interest of the City to change the policy. He further stated that the policy has been well maintained.

Mrs. Laffon stated that the revised edition was in compliance with regulatory agencies based upon comments made by our contractual consultants.

Council Member Gaither stated that the staff has done a great job in maintaining the policy and that he would like to make a recommendation to change , (g) on page 11 of the policy to "deemed unacceptable" instead of "sexually or racially explicit."

Council Member Dellinger asked why the City needed to be closed on the Friday after Thanksgiving.

Mr. Marty Wilson, Public Works/Public Utilities Director, stated that many of the governmental agencies the City works with are closed on the Friday following Thanksgiving.

Council Member Stedman and Mayor Pro Tem Johnson questioned the overtime pay and comp time pay.

Mrs. Laffon and Mr. Wilson both reported that it is sometimes in the best interest of the City to offer comp time instead of over time pay.

Mr. Wilson stated that in some cases, it might be a "high priority" for a person to have the time off, for a family matter or just for personal reasons.

City Manager Burchins recommended that a work session be scheduled to discuss the recommended changes before a Council meeting.

### **Supporting Material Available in the City Clerk's Office**

## **Update on Development of City Technology Improvement Program**

Mayor Mullinax and City Council members, City Manager Burchins and members of the City's Management Team traveled to Newton City Hall in the Council Chambers to hear a presentation on the City's Technology Program. Laptops were provided for the Council for their hands-on experience and City Manager Burchins proceeded with the introductions of Doris Kelly, Director of Consulting Services and specializing in municipal Broadband networks and Shannon Schelin, PhD with the UNC School of Government specializing in a Strategic Approach to Technology Investments and who have worked with the City of Newton on its technology program.

City Manager Burchins stated that in 1999, the City started to take a serious look at the City's technological system, highlighting the City's critical priorities and high priorities including the City's PA system, main frame computers packages, telephone system, utility billing system, and some basic level of the GIS System.

City Manager Burchins stated that City implemented a study to determine the City's needs and develop a basic criteria or standardization of the hardware and software which would benefit all users in the City.

City Manager Burchins stated that the City has an efficient email system, have built our own telecommunication system, running through the city fiber network to manage ourselves so that the City could arrange the wiring to provide our system the ability to leave messages on the telephones, switch telephone numbers, use voicemail, call forwarding, telephone roll-over techniques, and not have to go through Bellsouth to make these changes.

Mr. Mollahassani gave an overview of how the technology wiring, software, hardware, and cooperation with Catawba County and the COG.

Council Member Stedman asked who was responsible for all the wiring.

Jim Baker, Finance Director, stated that the City staff did all the wiring and the IT staff switched all the telephone wiring over so that changes can be made here at the City through the computer system. Mr. Baker stated that it was a considerable savings in cost for the City to make this change.

City Manager Burchins stated that the City has upgraded its fiber system to connected to our citywide UPS (uninterrupted power source) so if the system goes down that there is a system in place to keep our computers up and running, utility billing system, customer service information, and accident reports that can be downloaded into the computers.

Marty Wilson, Director of Public Works and Public Utilities gave a brief overview of the City's SCADA System (System Control and Data Acquisition) which monitors our electric substations and power users. Mr. Martin stated that the City benefits very greatly by peak shaving through ElectriCities through the generation and saves the City an enormous amount of money.

City Manager Burchins stated that the City has two employees to manage our technology program. The employees monitor all the City's hardware and software, desktop publishing, police records management, Nextel telephone system, payroll, performance evaluation program, and website.

Mr. Mollahassani informed the Mayor and Council that he recently received a call from Microsoft complimenting the City that Newton's website stating that is was one of the best sites in the State.

Mayor Mullinax asked Chief Dial about the possibility of the tickets being automatically sent to the Clerk's office. Chief Dial stated that this is a new citation process and will be implemented in the near future.

City Manager Burchins stated that after the study was done it was determined that we were building the system that everything that we have, has some relationship internally and externally with our customers.

City Manager Burchins stated that our City Works Management Program and Work Order System is a service request system which is automatically sent to the appropriate supervisor and will in the future link to the billing system.

Mayor Mullinax stated that whenever we get to the point where our technology has all the advanced capabilities to connect with the customers externally, we still need to have some human interaction.

City Manager Burchins praised the City's website as being the City's highway to the public. He also stated that the City's website not only collect hits for information, that it serves as an internal website, the Intranet, designed for the employees providing information about City jobs, policies, regulations, etc.

City Manager Burchins stated that the City is connected fiber optically and our staff can manage our own website.

Mr. Mollahassani provided information on the City's anti-virus program, the effectiveness of emails, and security cameras. Mr. Mollahassani stated that technology is a vehicle to accurate, reliable and timely information.

City Manager Burchins stated that agendas, minutes, links from local businesses, state and local government information, etc. are listed on the website. He stated that every department has someone trained to update their departmental information, shared training with Catawba County employees is available.

Mr. Wilson and Mr. Doug Wesson, Assistant Public Works and Public Utilities Director, also explained the process of the City Works program and its capabilities of locating properties, tracking, and summarize the work done or pending.

City Manager Burchins encouraged the Mayor and Council to take time to look at the City's website whenever possible and to visit the Public Works Department to see the functions of the SCADA System and City Works Program.

City Manager Burchins highlighted several other program applications such as office suite, email, calendars, to see how City staff communicates between departments.

#### **SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

##### **"Technology in Use" City of Newton 2006**

City Manager Burchins introduced Shannon Schelin, PhD with the UNC School of Government. Miss Schelin stated that her task was to bring before the Mayor and City Council a strategic approach to technology investments.

Miss Schelin stated that she has been working with the City of Newton on their technology study and found the department heads and IT staff have been used as a model of local government personnel working together, evaluating their needs, and researching ways to make it happen.

Miss Schelin stated that 93% of US adults access a government website on a daily basis. She reported that the staff has done a great job in their technology research and top management support is very important.

Miss Schelin stated that technology is becoming the vehicle from which accurate, reliable, and timely information is produced for strategizing, identifying objectives, improving productivity, and facilitating service delivery.

Miss Schelin explained the challenges of E-Government, government's use of technology, particularly web-based internet applications, the benefits of on-line services, and the importance of GIS data in a graphical/spatial context.

Miss Schelin stated that Newton's Strategic Technology Plan is unique, grass-roots approach and among the first in the state. She stated that she has used Newton's plan as a perfect example to show how local government can work together to make wise decisions about their technological needs.

Miss Schelin pointed out the City's transition in their planning using the Silo Approach and the Enterprise Approach highlighting the departmental approach and the enterprise approach. She talked about the City's technological achievements made over the years, identified the City's strengths, weaknesses, opportunities, and

threats in technology, as well as necessary investment in technology for potential projects affecting legislation, client demand, unsupported systems, inefficient, ineffective processes, and economic development.

Miss Schelin stated that the City of Newton has laid the groundwork to receive great returns on technology investments.

Jim Baker, Finance Director, demonstrated the different techniques using the Office Suite/ Email package so that the Council could see how effective the use of technology is in the workplace.

## **SUPPORTING INFORMATION IS AVAILABLE IN THE CITY CLERK'S OFFICE**

### **Day 1 – February 2, 2006 – Afternoon Session**

#### **Potential Uses of Broadband Technology in Local Government**

Marty Wilson, Director of Public Works and Public Utilities, introduced Miss Doris Kelley with DesignLINC, Inc., who talked about municipal broadband networks.

Miss Kelley pointed out the objectives of choosing the right broadband technology for the community, the benefits of its use in economic development and the new capabilities in municipal utilities such as the SCADA system, load control, security, and adding value to existing infrastructure. She stated that when broadband is publicly owned, everyone has access regardless of income and geographic location.

Miss Kelley gave an overview of the growth and valuation of broadband technology and recommended the key elements when a plan is being implemented:

- Place community interests out front and utility interests in background.
- Translate vision into a business plan at early stage.
- Employ positive economics of a multifunction utility.
- Hire consultants and staff who have experience where you do not.

Miss Kelley recommended that the City always look outward in their approach to implement broadband into their infrastructure, develop a clear business and financing plan, understand exactly what you are getting into and consider the stakeholders.

## **SUPPORTING INFORMATION IS AVAILABLE IN THE CITY CLERK'S OFFICE**

### **Public Safety Resources Discussion:**

#### **Overview of Police Operations/Crime**

Stan Winstead with Winstead Architectural PLLC, gave a brief overview of the expansion process for the second floor of City Hall.

Mr. Winstead showed other departments which would be added in the future to get a better fit in the areas to develop the footage design and to know how much space was needed.

Council Member Dellinger questioned the location of the Evidence Room observing the amount of space is showed. He asked if the Evidence Room could be housed at the Police Complex.

Chief Dial felt that the Evidence Room could be utilized better in the area proposed in the expansion plan. Chief Dial also stated that this expansion would help in eliminating the rental spaces downtown.

Council Member Gaither stated that he thought the proposed plan was a good workable plan and complimented the department in their efforts.

Mayor Mullinax recommended that City Manager Burchins and Chief Dial have Mr. Winstead to do the final touches on the drawing and bring back before the Council.

#### **SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

#### **Overview of School Resource Officer Program:**

City Manager Burchins introduced Chief David Dial and Newton-Conover Middle School and Newton-Conover High School Resource Officers, Lt. JoAnn Pope and Master Police Officer Larry Saunders who gave a brief overview about crime in the City of Newton.

Both officers reported on the areas of their crime prevention program in each school addressing the larceny and drug problems, and their involvement with the teachers and students.

Master Officer Saunders talked about the organized gangs in Newton from other states and crime in general.

Master Officer Saunders stated that he works well with the administration in the high school and that they have had a hand to hand partnership for the last seven years.

Lt. Pope stated that her students at the Middle School are D.A.R.E. graduates and will take responsibility when necessary. She stated that the students were ambassadors for good community relations.

Council Member Stedman asked if there was a need for the Youth Council to become involved in the program.

Lt. Pope stated that there was much support from the school guidance division, DSS, and the parents at this time, may be needed in the future.

Master Officer Saunders stated that there has been a problem in the past with a student bringing a gun to school, but it was handled safely, quietly, and quick.

Master Officer Saunders stated that he travels all over the school's parking facilities to check out problems and involves the administrators of isolated situations. He stated that the school has a "Lock Down" Program.

Lt. Pope and Master Officer Saunders stated that they have a good working relationship with the teachers, students, and parents.

Mayor Mullinax stated that he has some concerns with the traffic problems at Thornton Elementary and was reminded that traffic at both elementary schools is being monitored by Officers Campbell and Fowler.

Mayor Pro Tem Johnson complimented the officers for their hard work and stated that they were doing a wonderful job,

Chief David Dial gave an overview of the crime and arrest statistics in Newton and stated that the crimes range from minor domestics to serious criminal offenses.

Chief Dial stated that the departments has 35 sworn officers and 8 full time civilian employees who are trained to provide many services such as patrol, accident investigation, traffic enforcement, investigations (all types), narcotics, animal control, 24-hour communications, record keeping, parking enforcement, and monitoring school crossings.

Chief Dial stated that there was not a Crime Prevention Officer that Lt. Pope had done this in the past, but all the officers are trying to give crime prevention advice to citizens, children, etc.



### **Impact of Additional Full/Part-time/Reserve Fire Fighter's Position on Fire Scene Turnout:**

Chief Kevin Yoder gave an overview of the Newton Fire Department before and after hiring additional staff. He stated that during the 2005 Planning Work Shop, the staff had identified their personnel needs on all emergency incidents, particularly on structure fires.

Chief Yoder highlighted the volunteer response time to incidents within 5 minutes time and the total volunteer response to incidents, prior to changes in personnel.

Chief Yoder stated that recommendations were made for the realignment of the volunteer personnel including the employment of all current volunteer personnel and change in status to reserve firefighters and in regards to the addition of both full-time and part-time personnel.

Chief Yoder stated that the realignment became effective on April 30, 2005 and six additional full-time firefighters were hired on July 2, 2005. He stated that the impact on the response time increased considerably.

Chief Yoder complimented Council Member Dellinger for setting the standard of a good firefighter.

Council Member Gaither stated that he felt everything is working out great at the Fire Department

Chief Yoder showed a slide presentation highlighting some of the improvements made at the fire stations and stated that his staff did all the improvements which saved the city money.

### **SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

### **Public Works/Public Utilities Overview:**

#### **Impact of elimination of Tier 1 and Tier 2 Incentive Rates offered by ElectriCities of NC**

Marty Wilson, Director of Public Works and Public Utilities introduced Karen Wood, Manager, of North Carolina Municipal Power Agency No. 1 Pricing and Billing Services, who has assisted the City with the process of the Customer Retention Phase-Out Program and how it affects the City's Tier 1 and Tier 2 customers, (industrial and commercial).

Mrs. Wood reported that the discount program began in 1997 in which the program received funds from B-Factor Settlement in the amount of \$113M between 1996-1999 and earmarked for large industrial and commercial customers.

Mrs. Wood stated that due to limited funds and customer retention in face of deregulation, an orderly Phase-Out process was scheduled to begin in 2003 and continue to 2007. She stated that the City's Phase-Out program will now need to begin in 2006 and be completely terminated by 2010.

Mrs. Wood stated that the ElectriCities Board of Directors shifted a portion of the Customer Retention Program Fund to Rate Stabilization in which the Rate Committee approved the proposed phase-out plan in October 2005 and the Board of Directors approved the plan November 2005.

Mrs. Wood stated that the City of Newton has been passing on Customer Retention Program discounts to its Tier 1 and Tier 2 customers through annual rebates. She gave an overview of the funds distribution, its impact on the City, and in reviewing the projected revenues and expenses for the upcoming fiscal year and realizing that the City has sufficient revenues. From the review, the following objectives were recommended:

- Keep the industrial customers in the CRP program whole in regard to the 20% loss of their rebate
- Bring the industrial rate down to a level closer to that of the on-peak rates being offered to new industrial prospects.

- Raise all retail rebates except the industrial rate by 1.1% to match the expected wholesale rate increase, and since it is still early in the City's budget process, the 1.1% rate increase be modified to meet operating and capital project expense requirements.
- Decrease the industrial rate by 2% to mitigate the loss of rebates.
- Lower the rebates to CRP customers to the level provided by NCMPA1 to the City.

Mrs. Wood stated that these recommendations are appropriate for fiscal year 2006-2007 given the level of growth the City expects and the loss of CRP discounts during the remainder of the phase-out period should be evaluated on annual basis.

Mayor Mullinax recommended that the City keep this information current as the City continues its growth through economic development and be competitive in its recruitment.

Council Members Dixon and Gaither, as well as, City Manager Burchins identified some of the City's major industries such as, Moretz, Sarsted, Polymask, Catawba County, etc.

Council Member Gaither stated that he hoped the industries would be contacted about the Phase-Out Program to let them know that this is going to happen.

Council Member Dellinger stated that the City has been informing our industries about the Phase-Out process since 2003 that the rate is going to phase-out.

City Manager Burchins stated that possibly a work session can be planned to discuss formerly the change in the electric rate, but no decision needed to be made until budget time.

Mr. Robert Vice, Southeastern Consulting, stated that some rates are higher than others and that it was because of the industry's demand.

Council Member Gaither stated that his concern is that a new industry will look at lower rates which might keep them from locating here.

Mr. Vice stated that industries will be looking at more things than the power costs; they will be looking at a lower cost of a total package.

#### **SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

#### **Streets, Sidewalks, Culverts, and Storm Water Projects and Programs Overview:**

#### **Infrastructure Review, Storm Water Options, and Financing Options:**

#### **Water/Wastewater Master Plan Review:**

#### **Discussion of Water Loss Plan and proposed actions:**

Marty Wilson, Director of Public Works and Public Utilities, gave an overview of Street and Sidewalk projects past and the present.

Mr. Wilson discussed the standard cycles for street improvements over a 20-year cycle and 15-year cycle and also reported that mostly all sidewalk problems have been identified and some repaired throughout the City. Mr. Wilson stated that there are 27 miles of sidewalks in the City.

Mayor Mullinax stated that the Council needed to see how the Powell Bill Funds could be restructured.

Mr. Wilson further identified culverts in the City which needed immediate attention such as the Eastmont Avenue Culvert, the 316 S. Main Avenue culvert, and the South Gaither Avenue culvert.

Mr. Wilson reported that the Stormwater Program implementation has been very successful and in June 2005, the City received its Stormwater permit. He stated that the program was designed in accordance with four requirements of implementation, (1) the first year – public information; (2) the second year system mapping; (3) Post Construction; and (4) illicit discharge detection and elimination process.

Mr. Wilson discussed the pros and cons for a Stormwater Utility Tax and Stormwater Utility Fees.

Mr. Wilson gave an overview of the budget needs for streets, paving & resurfacing; sidewalks, downtown improvements, sidewalk replacement; culverts, present and future, and stormwater implementation costs and presented an option that the Council could consider a property tax rate increase as a financing option. Each 1 cent increase equates to \$82,000. Other options identified include additional fees such as: sanitation pick-up fees, a storm water utility tax or fee, assessments, and/or eliminating non-profitable services such as dumpster service.

Council Member Gaither stated that if all this has to be done, a tax rate should be considered.

Council Member Stedman stated that the City is at the top of its borrowing capabilities and we need to look at other alternatives.

City Manager Burchins stated that perhaps a bond referendum could be considered, but it could cost up to \$70,000 to \$75,000. Mr. Burchins stated that the Mayor and Council would have to identify the needs before a bond referendum could be done.

Mayor Mullinax stated that the Council has some hard decisions to make. He stated that the City had not raised the tax rate, but we have done things to increase revenues and have been very fortunate.

City Manager Burchins stated that there will be a day of evening up, but we still have to think about the future and do something about it.

Council Member Gaither stated that nickel and dimeing people are not good choices. He stated that we have to stay up with computers, telephones, etc. and we can't do it from always taking funds from here and there.

Council Member Dixon stated that the Council needed to explore all possibilities; one example would be to charge for garbage collection.

Mayor Mullinax stated that the Council has identified some of the needs and have a good start in their needs planning process.

Mayor Mullinax asked City Manager Burchins to identify the needs for sidewalks and bring back before the Council.

Mr. Wilson gave an overview of the Water and Sewer Master Plan Update and stated that the City has accomplished most of the projects.

Mr. Wilson stated that specific projects were identified in the 1998 CDM Comprehensive Water and Sewer System Analysis and additional projects have already been identified.

Mr. Wilson highlighted the benefits the City has received from the water and sewer expansions such as the possibility of Project Bulls Eye, and the partnership with the City of Conover and Energy United. He stated that some were unexpected benefits.

Mr. Wilson gave a review of the completed projects and the current projects which are:

- Nottingham-Starmont Sewer Service Preliminary Design
- Smyre Farm Road Water and Sewer Extension
- Balls Creek Sewer Service Extension (Catawba County-Grant Funded)
- Gregory Wood Products/Blackburn Landfill Sewer Service (Joint Grant)
- Highway 16 Eastern Loop – Utility Relocation

Mr. Wilson stated that future projects needed to be prioritized before a final financing plan is developed.

Mr. Wilson recommended the process to begin February 2006 - May – June- July- and December 2006 and to have a final plan completed and available for the planning fiscal year 2007-2008.

Council Member Stedman recommended that a financial plan be developed before the budget sessions begin.

There being no further business to discuss, Day 1 of the Mayor and City Council Annual Planning Work Shop adjourned at 4:45pm.

**SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

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## **Day 2 – February 3, 2006 – Morning Session**

The Mayor and City Council held the second day of their annual planning work shop at 8:30 a.m. on Friday, February 3, 2006 at the Newton Depot.

Mayor Mullinax reconvened the Work Shop and stated that the Council had received lots of information on Thursday and that there was much more to learn. He stated that his issues of concern are the North Newton area, 321 Hwy. Business, the historic and projected growth trends listed in the Davenport Report, and the lack of quality homes in the area.

City Manager Burchins stated that today the Council will receive an overview of all the components which influences the living and growth patterns of our City.

City Manager Burchins stated that the City is like a living and growing mechanism which certain basic infrastructures within our boundaries and outside of our City affects how we do things.

City Manager Burchins stated that there are several cities surrounding the City of Newton that are being called metropolitan areas and are very fast growing, Charlotte, Gastonia, northern and eastern Lincoln County.

City Manager Burchins stated that these areas influence Newton's growth from a land use perspective and the Hwy. 16 Eastern Loop will affect the growth as well.

City Manager Burchins stated that in our process of planning, the City needed to consider these questions:

- How do we want to grow?
- How do we want to look?
- How do we want the quality of life to be for us?

## **Planning and Economic Development:**

- **Overview of Development within the City and planning area**

- **Growth and Development trends in the City and planning area**
- **Demographic overview**
- **Potential Growth areas**
- **Factors influencing growth**
- **What is City currently doing to stimulate and direct growth:**
- **What else can we do?**

Glenn J. Pattishall, Planning Director/Assistant City Manager, gave a snapshot view of the City's demographics and stated that since 1980, the population in the City of Newton has increased by 5,360 people or 70%.

Mr. Pattishall stated that the population had slowed down since 2000 due to plant closings and that the City has not annexed any significant population since 1991.

Mr. Pattishall highlighted the downtown Newton area, as well as, development at least three miles out from the city limits. Mr. Pattishall reported that in the last five years, there has not been much commercial development, mostly industrial in the Danner Industrial Park.

Council Member Dellinger stated that many people left this area in 2005 because of the transition of ownership and lack of jobs.

Mayor Mullinax asked what the vacancy rate is. Mr. Pattishall stated that the vacancy rate was about 15%.

Mr. Pattishall stated that since 1991, over one half of textile and apparel jobs (6,166) have been lost in Catawba County and in furniture, over 3,200 jobs lost.

Mayor Mullinax asked what is the City's growth rate compared to Conover's and Claremont's and Mr. Pattishall stated that Conover was growing faster than Newton and Claremont.

Mr. Pattishall stated that Newton and Conover have different histories and development options.

Mayor Pro Tem Johnson stated that Project BullsEye and Flowers Foods will have an affect on housing in Newton and growth in population.

City Manager Burchins stated that the waterline extensions have spread development out of the City that it is decentralizing development, but we have benefited by the utilities.

Council Member Gaither stated that the City needs higher income people living in Newton which would require that type of housing. He also asked how the City could partner with Real Estate agencies to encourage people to locate in Newton.

Mr. Pattishall continued his reports on tax base diversity in the City by showing the tax values for commercial/industrial and residential development, the cultural activities and the report from the 2000 Census Bureau.

City Manager Burchins stated that the City should hire a marketing firm to market this area to help us find the right niche to draw people into the City.

Council Member Gaither suggested that the City invite realtors in and make a presentation on the housing development in the area so they will know of other places outside Hickory to bring new prospects.

Council Member Stedman suggested that the City talk to the developers.

City Manager Ed Burchins stated that we need to think about land proximity, transportation, and other appropriate balances. He stated that we need to build relationships with the developers.

City Manager Burchins and Council Member Anne Stedman stated that people moving closer to Newton from Mooresville, Lincolnton, the Balls Creek and Sherrills Ford areas, as well as, the Buffalo Shoals Road areas in which they felt were good signs for growth.

City Manager Burchins stated that a strategic planning process needed to be developed.

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**Scott Millar, EDC:**

Scott Millar, Catawba County EDC President, stated that his responsibility is to build a diversified economic base throughout Catawba County by recruiting new business and industry, by retaining existing business and industry and helping them grow, and to foster the creation of jobs in the area.

Mr. Millar stated that that other cities might have more housing development and retail businesses, but many of them want what Newton has now and that is “**industrial development.**”

Mr. Millar stated that the Economic Development Corporation has established a work plan diversifying the economic base using a balancing approach for businesses and industries to make sure that everyone's needs get considered.

Mr. Millar summarized EDC's 2006 Plan of Work which included the following:

- To recruit new jobs and tax base to Catawba County
- To provide support to existing Catawba County employers
- To provide support to achieve goals 1 and 2

Mr. Millar stated that there is a new committee of 100 advisors which will provide private funds and support for the Economic Development Corporation marketing needs in which their organization will continue to keep new and continuing initiatives.

Council Member Dixon asked what role did EDC play in the technical college opening up in Hickory.

Mr. Millar stated that any time there is an opportunity to educate people to do better, EDC supports it.

**SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

**Tim Elliott, Downtown Newton Development Association**

Tim Elliott, DNDA Chairperson, stated that he had heard a lot about marketing the City and he felt that the City was doing a great job in their efforts.

Mr. Elliott stated, referencing downtown Newton, that many cities would love to have the courthouse appearance that we have in their downtown. He further stated that the Downtown Newton Development Association want to recruit businesses into the downtown area and that their association was experiencing some of the same things the City was, but on a smaller scale.

Mr. Elliott made a presentation before the Council which showed the organization structure of DNDA, their mission statement, sub-committees and their 2006 goals.

Mr. Elliott concluded his presentation with letting the Council know that the DNDA have only the best expectations of greater things for Newton and they solicit the Council's support.

**SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**

**Transportation:**  
**Piedmont Wagon Transportation Program**

**Cynthia McGinnis, Piedmont Wagon Transit System and John Tippet, WPCOG**

Cynthia McGinnis gave an overview of the Piedmont Wagon Transit System's financial commitments and what would be requested of the City for the upcoming budget year.

Mrs. McGinnis stated that if local revenues do not increase, service must be cut and federal funds will go to another area. She stated that prior to the increase in available federal funds, local contributions were sufficient, and Piedmont Wagon has matched federal funds by using reserves for large capital purchases such as buses in the past.

Mrs. McGinnis stated that PWTS has purchased five 35' urban, improved and heavy duty, low-floor, diesel buses with a 12 year useful life warranty and will be delivered on May 1 and in service July 1, 2006.

Mrs. McGinnis highlighted the special features on the new buses, its demographic trends, and the key issues:

- Dedicated funding source
- Air Quality and Congestion
- Job creation-mobility options
- Senior friendly community
- Administrative cost savings
- Region to region travel

Mayor Pro Tem Johnson asked if there was an alternative fuel source for the buses and there was none. Mrs. McGinnis stated that the buses would use diesel fuel.

Council Member Gaither stated that the program was great, but the buses are a long ways from being full, so why are you getting larger buses?

Mrs. McGinnis stated that the attractiveness of the buses will attract more riders.

Mayor Mullinax stated that he felt the Council should have been contacted about the purchase of the new buses.

Council Member Dixon asked what is being done to promote ridership.

Mrs. McGinnis stated that new promotional efforts will be implemented when the buses arrive.

Mayor Mullinax stated that \$50,000 is a lot of money and is not taken for granted by this Council and that the Council needs a detail statistical report given to them to let them know about the ridership in Newton.

Mrs. McGinnis stated that ridership in Newton is increasing and that she would get statistics back to the Council through Mr. Pattishall.

Mr. John Tippet reported on regionalization stating that it benefits transit and communities. Mr. Tippet stated that an implementation study is currently being conducted with 80% FTA and 20% NCDOT funds.

Mr. Tippet requested that each Council Member ride the bus routes for one day and see how it assist Catawba County human services programs which include riders from Newton.

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### **Traffic Calming:**

#### **Alex Fulbright, City Planner**

Alex Fulbright, City Planner, reported that in 2005, the City installed four pairs of speed cushions on West 7<sup>th</sup> Street for six months to see how the motorist reacted to the changes before final traffic patterns could be detected.

Mr. Fulbright gave an overview on the study performed on West 7<sup>th</sup> Street listing the statistics before and after the installation of the cushions, the difference between the two times, and found that the speed cushions reduced the volume of traffic on West 7<sup>th</sup> Street by an average of 400 vehicles per day or approximately 40%.

Mr. Fulbright stated that the 85<sup>th</sup> percentile speed was reduced from an average of 34 MPH to 27.5 MPH, a 22.1% reduction in speed, but the impact of the speed cushions on the surrounding area significantly increased traffic on the surrounding streets; however, there was no significant increase in speed.

Council Member Stedman stated that she would like to see 4-way stops on 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> Streets.

City Manager Burchins stated that the staff will take a look at other alternatives, gather some data, or even get with traffic professional to see how they would design the functionality of the streets and then make a recommendation to the Council.

Council Member Gaither suggested that the staff consider the entire City in their study.

Mayor Mullinax stated that the study needed to be balanced for everyone.

### **Downtown Parking**

Council Member Dellinger stated that the Off-Street Parking Commission had not meet and is scheduled to meet in the next two weeks to discuss parking in downtown and other parking issues.

**SUPPORTING MATERIAL IS AVAILABLE IN THE CITY CLERK'S OFFICE**



### **Council Feedback:**

- Council Member Gaither recommended that the filing fee municipal elections be changed from \$5.00 to \$25.00. He felt that the increase in cost would encourage creditable candidates to file, those who really have a desire to serve the citizens of Newton.
- Council Member Dixon recommended that the Council change the monthly meeting days from the first Tuesday and third Wednesday, to the first Tuesday and third Tuesday effective July 1, 2006, at 7:00 pm.
- Council Member Gaither recommended that the Council check with the Newton-Conover Civic and Performance Place about Conover's participation and address the naming of the building issue. Council Member Gaither stated that the City needs to keep the auditorium and if Conover and other cities get involved, it would help Newton. Council Member Dixon stated that he supports the auditorium and that he was concern about the problems the Auditorium Authority and the Green Room are facing. Mayor Mullinax stated that he hope that a partnership can be developed by the two agencies.
- Council Member Gaither asked what was the status of the Town Clock which is to be located in the Yount Park. It was reported that the clock location is in limbo at this time. Attorney Larry Pitts is working with Leslie Yount, but another alternative is being considered. Council Member Gaither stated that the Abernethy's should be kept updated on the progress of the clock. Mayor Mullinax stated that something will be done in the next five weeks.
- Council Member Gaither stated that the old Post Office is up for sale again and wanted to know if the Council would like to consider another bid? Mayor Pro Tem Johnson stated that some of the back parking lots have been removed. Council Member Stedman stated that if the City is not interested in purchasing the building, it would be nice to have some control on its use. Mr. Pitts stated that there are some restrictions on the building now. No direction was offered at that time.
- Council Member Stedman reported that she attended a "Rounding Off Program" where customers to round off their utility bill payment to the nearest dollar and the extra change be kept in an account and used to help with downtown development programs or wherever the city needs it. City Manager Burchins stated that he was also familiar with that type of program and the one he knew used the funds to help customers who couldn't pay their utility bill.

Mayor Mullinax thanked the staff, Council, and presenters for the all the work done to make this work shop a good work shop. He stated that the Council and staff will work on everything discussed and bring some items before the Council very soon.

There being no further business to discuss, the 2006 Mayor and City Council Annual Planning Work Shop was adjourned at 1:30 pm.

Respectfully submitted by:

Robert A. Mullinax, Mayor

Beunice R. Roberts, City Clerk